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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

COMPETITIVE PRODUCTS PRICE CHANGES RATES OF GENERAL APPLICABILITY

Docket No. CP2014-5

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO CHARMAN'S INFORMATION REQUEST NO. 3, QUESTIONS 2 AND 4 (December 4, 2013)

The United States Postal Service hereby provides its responses to Chairman's Information Request No. 3, Questions 2 and 4. Responses were due by December 3, 2013. The Postal Service is filing the response to Question 4 under seal. The Postal Service herein incorporates by reference its Application for Non-Public Treatment in this docket for the protection of the material filed under seal. Each question is reprinted verbatim and is followed by the Postal Service's response.

Respectfully submitted,

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RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 3, QUESTION 2

- 2. The Postal Service is introducing Premium Forwarding Service Commercial that will permit commercial customers to have mail forwarded to a new address via Priority Mail or Priority Mail Express. The proposed changes to the Mail Classification Schedule include an enrollment fee. But unlike Premium Forwarding Service Residential, Premium Forwarding Service Commercial does not include proposed shipping fees.
 - a. For Premium Forwarding Service Commercial, please explain how the Postal Service intends to report volumes, costs, and revenues for: (1) enrollment and (2) shipping.
 - b. For Premium Forwarding Service Commercial, please explain how the Postal Service plans to disaggregate enrollment and shipment costs.

RESPONSE:

(a-b). Volumes and revenue of both enrollment and shipping costs will be recorded by the Information Technology (IT) systems. Costs associated with shipping will be recorded by the cost data collection systems using markings on the piece, such as the Service Type Code in the barcode on the label. In the event the volume is low, these costs may not be reliable; the Postal Service will investigate once data is available. Since enrollment in Premium Forwarding Service Commercial will be done online only, the costs will be for maintaining IT systems only.